



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-580-816]

Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Notice of Final Results of the 2009 - 2010 Administrative Review and Revocation, in Part

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: On September 6, 2011, the Department of Commerce (the Department) published the preliminary results of the antidumping duty administrative review for certain corrosion-resistant carbon steel flat products (CORE) from the Republic of Korea (Korea).¹ This review covers eight manufacturers and/or exporters (collectively, the respondents) of the subject merchandise: LG Chem., Ltd. (LG Chem); Haewon MSC Co. Ltd. (Haewon); Dongbu Steel Co., Ltd., (Dongbu); Hyundai HYSCO (HYSCO); Pohang Iron & Steel Co., Ltd. (POSCO) and Pohang Coated Steel Co., Ltd. (POCOS) (collectively, POSCO); Dongkuk Industries Co., Ltd. (Dongkuk); LG Hausys, Ltd. (Hausys); and Union Steel Manufacturing Co., Ltd. (Union).² The period of review (POR) is August 1, 2009, through, July 31, 2010.

As a result of our analysis of the comments received, these final results differ from the Preliminary Results. For our final results, we find that Union and Dongbu made sales of subject merchandise at less than normal value (NV), and POSCO and HYSCO have not made sales of subject merchandise at less than NV. In addition, based on the final results for the respondents

¹ See Certain Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Notice of Preliminary Results of the Seventeenth Antidumping Duty Administrative Review, 76 FR 55004 (September 6, 2011) (Preliminary Results).

² As noted in the Preliminary Results, the Department selected HYSCO, POSCO, Dongbu, and Union as mandatory respondents in this review. See Memorandum from Dennis McClure, International Trade Compliance Analyst, through James Terpstra, Program Manager, to Melissa Skinner, Director, Office 3, entitled "17th Antidumping Duty Administrative Review of Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Selection of Respondents for Individual Review," dated October 29, 2010.

selected for individual review, we have determined a weighted-average margin for those companies that were not selected for individual review. Further, the Department has determined to revoke this antidumping duty order, in part, with respect to entries from POSCO.

EFFECTIVE DATE: (Insert date of publication in the Federal Register).

FOR FURTHER INFORMATION CONTACT: Christopher Hargett (Union and HYSCO), Cindy Robinson (Dongbu) and Victoria Cho (the POSCO Group and non-selected companies), Office 3, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4161, (202) 482-3797, and (202) 482-5075, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 6, 2011, the Department published the Preliminary Results. We conducted sales and cost verifications at the POSCO Group and Dongbu from October 17, 2011, through October 21, 2011, in Seoul, Korea. On November 30, 2011, and December 1, 2011, respectively, the Department released the cost verification report and the sales verification report for the POSCO Group. On December 5, 2012, and December 6, 2012, respectively, the Department released cost verification report and the sales verification report for Dongbu.

On November 9, 2011, the Department extended the time limits for the final results of this review until no later than March 4, 2012.³

Comments from Interested Parties

We invited parties to comment on our Preliminary Results. On January 9, 2012, United States Steel Corporation, Nucor Corporation, ArcelorMittal USA Llc (collectively, petitioners),

³ See Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Notice of Extension of Time Limit for the Final Results of Antidumping Duty Administrative Review, 76 FR 69703 (November 9, 2011).

HYSCO, POSCO, Union, LG Hausys, and Dongbu (collectively, respondents), filed case briefs. On January 17, 2012, petitioners and respondents, except LG Hausys, filed rebuttal briefs. On January 25, 2012, and January 27, 2012, respectively, POSCO and HYSCO re-submitted their rebuttal briefs redacting improperly-filed new factual information. On January 27, 2012, the Department held a public hearing regarding the instant case. On January 30, 2012, U.S. Steel re-submitted their case brief with respect to HYSCO redacting improperly-filed new factual information.

Scope of the Order

This order covers cold-rolled (cold-reduced) carbon steel flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090. Included in this order

are corrosion-resistant flat-rolled products of non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been “worked after rolling”) - for example, products which have been beveled or rounded at the edges.

Excluded from this order are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (terne plate), or both chromium and chromium oxides (tin-free steel), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded from this order are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness. Also excluded from this order are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio.

These HTSUS item numbers are provided for convenience and customs purposes. The written descriptions remain dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the “Issues and Decision Memorandum for the Final Results of the 17th Administrative Review of the Antidumping Duty Order on Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea (2009 – 2010),” from Gary Taverman, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, (“Issues and Decision Memorandum”), dated concurrently with this notice and which is hereby adopted by this notice. A list of the

issues which parties have raised, and to which we have responded in the Issues and Decision Memorandum, is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available in the Central Records Unit, main Commerce Building, room 7046. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn/>. The signed Issues and Decision Memorandum and electronic version of the Issues and Decision Memorandum are identical in content.

Changes from the Preliminary Results

As a result of the Department's analysis of comments received, we have made certain changes to the calculations of company-specific weight-average margins.

For Union, we changed the date of sale for certain U.S. sales as noted in Comment 7 of our Issues and Decision Memorandum. In addition, we revised the payment date and credit expense for certain sales with missing payment dates as noted at Comment 8 of our Issues and Decision Memorandum.⁴ As noted at Comment 9 of our Issues and Decision Memorandum, we have recalculated Dongbu's dumping margin for certain billing adjustments.⁵ For POSCO, we re-allocated certain general and administrative, and interest expenses, for their cost of production.⁶

⁴ See also "Calculation Memorandum for Union Steel," from Dennis McClure to the File, dated March 5, 2011.

⁵ See "Final Results in the 17th Administrative Review on Corrosion-Resistant Carbon Steel Flat Products from Korea: Calculation Memorandum for Dongbu Steel," from Cindy Robinson to the File, dated March 5, 2012.

⁶ See memo from Victoria Cho to the File, entitled "Final Results in the 17th Administrative Review on Corrosion-Resistant Carbon Steel Flat Products from Korea: Calculation Memorandum for Pohang Iron & Steel Company, Ltd. (POSCO) and Pohang Coated Steel Co., Ltd. (POCOS) (collectively, the POSCO Group)," dated March 5, 2012 (POSCO Sales Calc Memo).

Notice of Revocation of the Order, In Part

On August 31, 2010, the POSCO Group requested revocation of the order on CORE from Korea as it pertains to its sales.⁷

Under section 751(d)(1) of the Act, the Department “may revoke, in whole or in part” an antidumping duty order upon completion of a review. Although Congress has not specified the procedures that the Department must follow in revoking an order, the Department has developed a procedure for revocation that is set forth at 19 CFR 351.222. Under 19 CFR 351.222(b)(2), the Department may revoke an antidumping duty order in part if it concludes that (A) an exporter or producer has sold the merchandise at not less than normal value for a period of at least three consecutive years, (B) the exporter or producer has agreed in writing to its immediate reinstatement in the order if the Secretary concludes that the exporter or producer, subsequent to the revocation, sold the subject merchandise at less than normal value, and (C) the continued application of the antidumping duty order is no longer necessary to offset dumping.

A request for revocation of an order in part for a company previously found dumping must address three elements. The company requesting the revocation must do so in writing and submit the following statements with the request: (1) the company’s certification that it sold the subject merchandise at not less than normal value during the current review period and that, in the future, it will not sell at less than normal value; (2) the company’s certification that, during each of the consecutive years forming the basis of the request, it sold the subject merchandise to the United States in commercial quantities; (3) the agreement to reinstatement in the order if the Department concludes that, subsequent to revocation, the company has sold the subject merchandise at less than normal value. See 19 CFR 351.222(e)(1). We find that the request

⁷ See Letter to the Department from POSCO, dated August 31, 2010.

dated August 31, 2010, from the POSCO Group meets all of the criteria under 19 CFR 351.222(e)(1).

With regard to the criteria of 19 CFR 351.222(b)(2), our final margin calculations show that the POSCO Group sold CORE at not less than normal value during the current review period. See “Final Results of Reviews” section below. In addition, it sold CORE at not less than normal value in the two preceding years.⁸ Based on our examination of the sales data submitted by the POSCO Group, we find that the POSCO Group sold the subject merchandise in the United States in commercial quantities in each of the consecutive years cited by the POSCO Group to support its request for revocation.⁹ Thus, we find that the POSCO Group had zero or de minimis dumping margins for the last three consecutive years and sold in commercial quantities all three years. Also, we find that application of the antidumping duty order to the POSCO Group is no longer warranted for the following reasons: (1) The company had zero or de minimis margins for a period of at least three consecutive years; (2) the company has agreed to immediate reinstatement of the order if we find that it has resumed making sales at less than fair value; (3) the continued application of the order is not otherwise necessary to offset dumping.

Therefore, we find that the POSCO Group qualifies for revocation from the order on CORE from Korea pursuant to 19 CFR 351.222(b)(2) and, thus, we will revoke the order with respect to CORE from Korea produced and exported to the United States by the POSCO Group. The revocation of the order in part with respect to merchandise produced and exported by the POSCO Group, is effective August 1, 2010.

⁸ See Certain Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Notice of Final Results of the Fifteenth Administrative Review, 75 FR 13490 (March 22, 2010) (CORE 15 Final Results); see also Certain Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Notice of Final Results of the Sixteenth Administrative Review, 76 FR 15291 (March 21, 2011) (CORE 16 Final Results).

⁹ See POSCO Sales Calc Memo.

Final Results of Review:

We determine that the following weighted-average margins exist:

Manufacturer/exporter	Percent margin
HYSCO	0.25 % (<i>de minimis</i>)
The POSCO Group	0.04 % (<i>de minimis</i>)
Union	3.66%
Dongbu	4.80%
Review-Specific Average Rate Applicable to the Following Companies ¹⁰ : LG Chem, Haewon, Hausys and Dongkuk	4.23%

Assessment

The Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries, pursuant to 19 CFR 351.212(b). The Department calculated importer-specific duty assessment rates on the basis of the ratio of the total antidumping duties calculated for the examined sales to the total entered value of the examined sales for that importer. Where the assessment rate is above de minimis, we will instruct CBP to assess duties on all entries of subject merchandise by that importer.

Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is de minimis (*i.e.*, less than 0.50 percent). The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

¹⁰ This rate is based on the margins calculated for those companies that were selected for individual review, excluding *de minimis* margins or margins based entirely on adverse facts available.

The Department clarified its “automatic assessment” regulation on May 6, 2003 (68 FR 23954). This clarification applies to POR entries of subject merchandise produced by companies examined in this review (i.e., companies for which a dumping margin was calculated) where the companies did not know that their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of CORE from Korea entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results, as provided by section 751(a) of the Tariff Act of 1930, as amended (the Act): (1) for companies covered by this review, the cash deposit rate will be the rate listed above; (2) for previously reviewed or investigated companies other than those covered by this review, the cash deposit rate will be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation, but the producer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the subject merchandise; and (4) if neither the exporter nor the producer is a firm covered in this review, a prior review, or the investigation, the cash deposit rate will be 17.70 percent, the all-others rate established in the less-than-fair-value investigation. These deposit requirements shall remain in effect until further notice.

Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent increase in antidumping duties by the amount of antidumping and/or countervailing duties reimbursed.

Administrative Protective Order

This notice also is the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing these results and notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

March 5, 2012_
Date

APPENDIX I

List of Comments in the Accompanying Issues and Decision Memorandum:

A. General Issues

Comment 1: Treatment of “Negative Dumping Margins” (Zeroing)

Comment 2: Collapsing Union and POSCO

B. Company-Specific Issues

Hyundai HYSCO

Comment 3: Treatment of Non-temper Rolled Merchandise

Comment 4: Date of Sale for U.S. Sales

The POSCO Group

Comment 5: Revocation from the Order

Comment 6: Date of Sale for U.S. Sales

Union

Comment 7: Date of Sale for U.S. Sales

Comment 8: Missing Payment Dates

Dongbu

Comment 9: Treatment of Home Market Billing Adjustments

[FR Doc. 2012-5937 Filed 03/09/2012 at 8:45 am; Publication Date: 03/12/2012]